

## Message Text

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PAGE 01 DACCA 04393 100155Z  
ACTION NEA-10

INFO OCT-01 ISO-00 OPIC-03 EB-08 COME-00 TRSE-00 AID-05  
IGA-02 OMB-01 L-03 CIAE-00 INR-07 NSAE-00 /040 W  
-----061657 100330Z /21  
R 090946Z AUG 77  
FM AMEMBASSY DACCA  
TO SECSTATE WASHDC 5713

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PASS OPIC

E.O. 11652: N/A  
TAGS: EINV  
SUBJ: DELBAGCO CLAIM

1. DURING CALL BY CHARGE AND EMBOFF ON NEW PRESIDENTIAL  
ADVISOR FOR INDUSTRIES JAMAL UDDIN AHMAD AUGUST 9, CHARGE  
REVIEWED OPIC/BDG NEGOTIATIONS AUGUST 3-5 AND STRESSED  
USG'S STRONG DESIRE FOR FINAL ARREEMEN ON DELBAGCO CLAIM.  
CHARGE STRESSED THAT SOUND U.S./BANGLADESH INVESTMENT  
RELATIONS AND RESUMPTION OF  
OPIC ACTIVITIES HERE DEPEND  
ON SETTLEMENT OF THIS LONG-STANDING CLAIM. HE NOTED THAT  
IN THE INTEREST OF AGREEMENT, THE U.S. SIDE PROPOSED SUB-  
STANTIAL COMPRO-  
MISE AT END OF LAST WEEK'S NEGOTIATIONS  
AND THAT WE LOOK FORWARD TO AN EARLY RESPONSE.

2. AHMAD SAID BDG ALSO WISHES TO SETTLE BELBAGCO CLAIM  
PROMPTLY. HE THEN RECITED FAMILIAR BDG ARGUMENTS CONCERN-  
ING VALUATION AND DEPRECIATION, NOTING THAT BDG HAD AL-  
READY MADE MAJOR LEGAL DEPARTURE IN AGREEING TO PAY  
BELBAGCO CLAIM AND FEARED DEPARTURE IN BELBAGCO CASE  
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FROM VALUATION PRINCIPLES APPLIED TO PREVIOUS COM-  
PENSATION CLAIMS WOULD JEOPARDIZE FUTURE NEGOTIATIONS  
WITH OTHER CLAIMANTS.

3. EMBOFF REPLIED THAT USG DOES NOT WISH TO INFLUENCE  
BDG NEGOTIATIONS WITH OTHER CLAIMANTS. LUMP SUM  
SETTLEMENT IS POSSIBLE WITHOUT REFERENCE TO THEORY,

AND IT SHOULD BE POSSIBLE FOR BDG TO MEET U.S. REQUEST FOR COMPENSATION WITHOUT COMPROMISING OTHER NEGOTIATIONS. DIFFERENCES IN ACCOUNTING AND EVALUATION PRINCIPLES APPLIED BY OPIC AND BDG NEGOTIATORS LAST WEEK APPEARED IRRECONCILABLE. U.S. SIDE THEREFORE CONCLUDED THAT A LUMP SUM APPROACH WAS THE ONLY PRACTICAL ROUTE TO SETTLEMENT. AHMAD UNDERSTOOD, SAYING THAT SETTLEMENT HAS THEREFORE BECOME QUOTE A POLITICAL MATTER UNQUOTE. HE HAD NOT HAD CHANCE TO QUOTE LOOK AT THE FILE UNQUOTE BUT WOULD DO SO SHORTLY. HE ADDED THAT IN ANY CASE, IT WAS NOT LARGE AND WE COULD LOOK FOR-

WARD TO A BDG REPLY TO U.S. SETTLEMENT PROPOSAL SOON.

4. COMMENT: IT WAS, WE BELIEVE, INTENSITY OF OPIC/ EMBASSY EFFORT TO REACH SETTLEMENT LAST WEEK AND, AT CONCLUSION OF TALKS, TO PRECIPITATE A QUICK RESPONSE TO OPIC'S SETTLEMENT OFFER, THAT ENABLED US TO SCHEDULE A QUOTE COURTESY CALL UNQUOTE ON ONE DAY'S NOTICE. AHMAD'S EVIDENT ACCEPTANCE OF NECESSITY FOR QUOTE POLITICAL UNQUOTE (RATHER THAN AN ACSINTING) SOLUTION SHOULD CLEAR THE WAY FOR A HIGH LEVEL DISCUSSION WHICH, WE ANTICIPATE, WILL HAVE TO BE MADE BY PRESIDENT ZIA, AS BDG NEGOTIATORS PREDICTED.  
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BERGESEN

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** CLAIMS, NATIONALIZATION, COMPENSATION, NEGOTIATIONS  
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**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977DACCA04393  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
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**Office:** ACTION NEA  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
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**TAGS:** EINV, BG, BELBAGCO INC  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009